



XcelHR



Discovery Benefits®  
a wex company



A person in a white lab coat is holding a black payment terminal. A hand is inserting a card into the terminal. The background is blurred, showing what appears to be a pharmacy or medical setting with shelves of products.

# Medical Flexible Spending Account

**[ FSA ]**

# **FSA** Medical Flexible Spending Account



Funds on day 1



Discount



Plan ahead

# [FSA] Annual Contribution Limit

2021 Medical FSA Maximum:

**\$2,750**

- Contribute and spend funds tax-free
- Pay for eligible out-of-pocket healthcare expenses
- OTC ( Over-The-Counter) Recently the IRS has allowed OTC medicines and feminine hygiene products to be eligible under the FSA.







# Meet Ashley

Ashley is a 33 year old college graduate working in Marketing.

## Without Healthcare FSA

GROSS ANNUAL PAY.....	\$60,000
TAX RATE (18%) .....	-\$10,800
NET ANNUAL PAY .....	\$49,200
HEALTHCARE EXPENSES .....	-\$2,600
FINAL TAKE-HOME PAY .....	\$46,600

## With Healthcare FSA

GROSS ANNUAL PAY.....	\$60,000
ANNUAL FSA CONTRIBUTION .....	-\$2,600
ADJUSTED GROSS PAY .....	\$57,400
TAX RATE (18%) .....	-\$10,332
FINAL TAKE-HOME PAY .....	\$47,068

Take home this much more  
with a Healthcare FSA

**\$468**

All figures in this table are estimates and based on an annual salary of \$60,000 and maximum contribution limits to the benefit account. Your salary, tax rate, healthcare expenses and tax savings may be different.





# Medical FSA Grace Period and Run-out

January 1, 2021 – December 31, 2021

March 31, 2022 – deadline to submit claims





# Dependent Care Flexible Spending Account

**[ FSA ]**



# **FSA** Why Choose a Dependent Care FSA?



Pre-tax benefit



Save money



Save strategically



# **FSA** Annual Contribution Limit

2021 Dependent Care FSA Maximum:

**\$5,000** per household

**\$2,500** per person  
(if married or filing separately)

- Contribute and spend funds tax-free
- Pay for qualified dependent care expenses
- Recurring Dependent Care Form





# Meet Kenneth

Kenneth is a 36 year old single father with 2 children in daycare.

## Without Dependent Care FSA

GROSS ANNUAL PAY.....	\$60,000
TAX RATE (18%) .....	-\$10,800
NET ANNUAL PAY .....	\$49,200
DEPENDENT CARE EXPENSES	-\$5,000
FINAL TAKE-HOME PAY .....	\$44,200

## With Dependent Care FSA

GROSS ANNUAL PAY.....	\$60,000
ANNUAL FSA CONTRIBUTION	\$5,000
ADJUSTED GROSS PAY .....	\$55,000
TAX RATE (18%) .....	-\$9,900
FINAL TAKE-HOME PAY .....	\$45,100

Take home this much more  
with a Dependent Care FSA

\$900

All figures in this table are estimates and based on an annual salary of \$60,000 and maximum contribution limits to the benefit account. Your salary, tax rate, healthcare expenses and tax savings may be different.







# **FSA** Dependent Care Grace Period and Run-out

January 1, 2021 – December 31, 2021

March 31, 2022 – deadline to submit claims



# Utilizing Medical and Dependent Care Flexible Spending Accounts

[ FSA ]





# **FSA** IRS Regulations

Qualifying status changes include:

- Elections cannot be changed mid-year
- Qualifying status changes
- Marital status
- Number of dependents
- Job status
- Daycare cost/provider change
- 30 days to make changes





# **FSA** Benefits Debit Card

- Free Benefits Debit Card
- Minimize the amount of out-of-pocket spending
- Valid for three+ years
- Instant access to FSA funds





# **FSA** Claim Filing

The best form of documentation when submitting a claim is either an explanation of benefits (EOB) from your carrier, or an itemized receipt from your provider



- Any documentation provided must contain the following information:
- When the service was received
- Where the service was received
- What service was received
- The amount/cost of the service received



# **FSA** Claim Filing Options



**Mobile app, online account  
or manual claims**

Processed within two business days



**Choose direct deposit or paper check**

Direct Deposit – FREE  
\$25 minimum reimbursement  
for paper checks



# Account Access



**Online Account**



**Mobile App**





# With our Mobile App You Can:



Get instant notifications on the status of your claims.

File a claim and upload documentation in seconds using your phone's camera.

Scan an item's bar code with your phone's camera to determine if it's an IRS code Section 213(D) eligible expense.

Report a card as lost or stolen.


Log in with your fingerprint.

Check your balance and view account activity.

Easily move funds from your HSA into your bank account to cover eligible expenses.

View current HSA investments balance, recent activity and rate of return.

Reset login credentials.



### Security on the go

Our mobile app uses secure encryption and won't store pictures on your phone, keeping your documentation safe and secure. Login is protected by a four-digit passcode of your choosing. You can also log in with you thumbprint on Apple devices.

**Download the app for free on Apple and Android smartphones and tablets.**





# Contact Participant Services

Our Participant Services team is available Monday through Friday, from 6 a.m. to 9 p.m. CT, except holidays.



Live Chat



Email

[customerservice@discoverybenefits.com](mailto:customerservice@discoverybenefits.com)



Phone

866-451-3399



A close-up, side-profile view of a woman wearing a white VR headset. She is looking into the virtual world, with her eyes focused on the headset's lens. The background is a solid red color.

# Limited Flexible Spending Account

**FSA**



# **FSA** Limited FSA

Use in combination with your Health Savings Account to cover:



Dental



Vision



Preventative

# [ FSA ] What Does it Cover?

There are thousands of eligible items, including:

- Dental and orthodontia office visits and expenses
- Dental implants, veneers, dentures and bridges
- Optometrist and ophthalmologist visits and expenses
- Eye glasses, contacts, prescription sunglasses, solutions and drops
- Laser eye surgery

